

**H.B. 843 Kentucky Commission on Services and Supports for Individuals
With Mental Illness, Alcohol and Other Drug Abuse Disorders, and Dual Diagnosis
January 27, 2003 Meeting Minutes
Capital Annex Room 129
Frankfort, Kentucky**

Commission Members Present: Representative Mary Lou Marzian, Commissioner Margaret Pennington, Secretary Marcia Morgan, Tricia Salyer, Wanda Bolze, Maureen Fitzgerald, William Heffron, Rick Purvis, Jerry Whitley, Angela Wilkins, Larry Carrico, Commissioner Bruce Crump, Mary Ann Taylor, Joni Abramson.

WELCOME

- Co-Chair Representative Marzian called the meeting to order and made brief introductory remarks. A motion was passed to approve the minutes from the November 18, 2002.
- Secretary Morgan expressed the importance of the presence of advocates and consumers during the session. She encouraged them to continue to clearly articulate the importance of human services, what the budget means to the consumers of these services and their family members, and what will happen in the event of additional reductions.

REPORT ON EFFECTS OF BUDGET CUTS FY 03-04

Department for MH/MR Services

Commissioner Margaret Pennington reported that of the \$400 million budget, \$165 million of which is state general funds. With a 2.6% and 5.2% reduction in FY 04, the following reductions will be necessary:

- Western State Hospital – a reduction of \$993,000 will include the closure of a MR/DD dual diagnoses unit.
- Central State Hospital – a reduction of \$631,500 will include the closure of a MR/SA dual diagnoses unit. Substance abuse treatment will be integrated throughout the hospital.
- Eastern State Hospital – a reduction of \$993,000 will include the probable closure of a unit that would impact at least 100 clients.
- Community Mental Health/Mental Retardation Boards – a reduction of \$1,641,400 could result in reductions to the 5 Rape Crisis Centers, Bluegrass Personal Care Home, Caney Creek Rehabilitation Center, and the Center for Rehabilitation and Recovery.
- Crisis Stabilization Units – a reduction of \$387,000 will delay the scheduled start-up of 6 new crisis stabilization units at Comprehend, Adanta, River Valley, Four Rivers and North Key.
- Assistive Technology Loan Fund – a reduction of \$5,000 in loans to individuals with disabilities who would not otherwise qualify for bank loans.
- Reduction in the following contracts:

- ARC (Association of Retarded Citizens) of Barren County – a reduction of \$1,000 in transportation to individuals served.
- Boys and Girls Clubs of America – a \$7,500 will result in the elimination of 1-2 of the 14 sites in Kentucky offering this after-school program for high-risk youth.
- New Beginnings Bluegrass, Inc. – a \$21,800 reduction in administrative support.
- Point ARC of Northern Ky – a \$2,000 reduction will result in increased fundraising efforts to compensate for the reduction.

Department for Medicaid Services

Tricia Salyer reported that within Medicaid, there have been a series of cost-containment actions that have already been implemented, with thirteen additional reductions planned. At 2.6%, the budget reduction plan would amount to a total of \$65 million. At 5.2%, the plan would amount to a total of \$131 million. Ms. Salyer referred members to a list of Medicaid programs and the reduction amount that relates to each.

Department of Corrections

Rick Purvis reported to commission members that with a 2.6% reduction, the department will lose their contracts for community-based substance abuse treatment, approximately 15 trained substance abuse counselors. With a 5.2% cut, a contract between the department, Seven Counties Services, and Volunteers of America will be lost. This contract provides 8 beds of transitional care for individuals who are paroled, and have a history of serious mental illness. More than likely, this will result in this population not receiving parole, and having to serve out their full sentence. There have been several early releases of prisoners who were within 120 days or less of serving out their sentences. There has been little time to plan for the needed aftercare of this population. Rep. Marzian asked Dr. Purvis to compare the cost of retaining seriously mentally ill individuals within the reformatory, as opposed to the transitional care being lost due to budget cuts. She asked that he get those numbers to her for a potential newspaper article.

Department of Juvenile Justice

Bill Heffron reported that in the past 18 months, they have reduced the use of private childcare beds by 70. The new detention centers in Hardin County, Fayette County, and Ashland continue to be built, but there will be a delay in their opening. Rep. Marzian asked what would happen as a result of the closure of the private childcare beds. Dr. Heffron reported that some will stay in the community, and some will go to residential facilities.

Department of Education

Angela Wilkins reported that the department has taken cuts just like other departments in order to try and protect cuts in the schools. Approximately 1300 public schools are required by statute to turn in a working budget by the end of the week. Two areas that must be held harmless in these budgets are KTRS and insurance. On March 1st, they are

required to give the school councils the allocations for the following year. This process locks in staffing patterns, and what programs/staff will still be in place. Teachers are organizing a march to be held at the Capital on March 12th in order to raise awareness about cuts in education funding.

Department of Vocational Rehabilitation

Bruce Crump reported that the greatest cut will be in the area of staffing. Currently, the department is functioning with an unofficial cap of 465 staff. The number of staff has already been reduced from 504. The current number of staff is 475, which means a reduction of an additional 10 staff positions by the end of the year. These are primarily counseling staff, and cuts would result in additional workload for the remaining staff. This will result in a delay in customers being served, and may even result in a waiting list. Training, equipment and travel has also been reduced around the state. Commissioner Pennington asked what effect of staff reductions would be on caseloads for remaining employees. Commissioner Crump responded that currently, staff is serving 260-270 clients each. With the additional staff cuts, remaining staff would need to absorb at least 25-40 additional cases apiece.

Division of Protection and Advocacy

Maureen Fitzgerald reported that about 50% of their general fund had been cut, but fortunately, that only represents a small portion of their budget, since the majority of their funding comes from federal sources. If further cuts in the general fund are sustained, then staff reductions will be necessary. She reported that the most significant impact is that their clients are losing access to the services and supports they need to stay safe in the community.

Family Resource and Youth Service Centers

Mary Ann Taylor reported that the most significant effect of budget cuts would be the reduction of the mental health contracts. She was unable to forecast which school districts would be affected, since it is a local decision. Reductions in these contracts would mean students would have to leave school in order to attend mental health appointments, rather than have access to therapists in the school.

Office of Aging Services

Jerry Whitley reported that there will be reductions in FY '04 totaling \$465,000 to the 15 Area Agencies on Aging (AAA's). This will include Homecare being reduced by 400 clients, including 130 fewer clients to be served through the Homecare expansion in FY '03 and FY '04, 25 Adult Day Care/Alzheimer's Respite clients, and 6 personal care attendant clients. The Senior Centers will be open fewer hours and will provide fewer services such as transportation and meals. The Homecare Waiver will be eliminated, and these clients will be transitioned to other existing programs.

Kentucky Agency for Substance Abuse Policy

Larry Carrico reported that the \$600,000 they received from the tobacco settlement was lost on June 30th. The decision was made not to rehire two vacated staff positions. The responsibilities were divided amongst other staff. For FY '04, items eliminated will include technical support for the local boards, and scholarships for available training. Evaluation capacity will be reduced by approximately 27%, in-state travel reimbursement will be reduced, and out-of-state travel will be eliminated.

Administrative Office of the Courts

Joni Abramson introduced Budget Director Doug Teague. Mr. Teague explained that at this point, no plans have been made to cut the drug courts, but they will have to look at all programs if asked to make a 9% reduction. It is possible that Kentucky may not receive its portion of the \$500 million in federal money that goes to the drug courts, which amounts to approximately \$850,000. About 74 counties participate in the drug court program, and cuts will be explored if this happens. Other options being explored are cuts in personnel, furniture and equipment for the courthouses.

Kentucky Housing Corporation

Rep. Marzian read a statement from the Kentucky Housing Corporation. She reported that they are the only state program to assist in the development of housing for low-income Kentuckians. They provide approximately 700 new units per year, one-fifth of which are for persons with disabilities.

Office of Transportation Delivery

Gail Mayeaux reported that Medicaid transportation cuts will depend on the cuts in Medicaid services. Public transportation relies mainly on federal funding. They anticipate receiving the same amount of federal funding for operating costs. There are some concerns that the state match will be cut, which will effect transportation for the elderly and people with disabilities. They have lost 3 staff positions, and there is one position on hold. This will result in fewer staff to monitor the transportation vehicles and systems, and to conduct training.

Consumers of Mental Health or Substance Abuse Services

Carolyn Kates-Glass addressed the members with concerns about services that will be delayed or denied as a result of the budget cuts. These cuts will affect consumers' quality of life in every area of the state. She reported specific situations of consumers being unable to obtain therapy and medication, emphasizing that the budget cuts have already had an effect in the community. Rep. Marzian emphasized the importance of the consumers attending their gubernatorial forums, and asking for specific ideas for improving this situation from the candidates.

Adult Family Member of a Consumer of Mental Health or Substance Abuse Services

Harry Mills, Executive Director for the National Alliance for the Mentally Ill, and the father of an adult son with a serious mental illness, addressed the members regarding the effects of the budget cuts. He briefly shared his son's story, and expressed a firm belief that when community based services are reduced, it drives up costs in other ways. If a consumer receives the supports and services that allow them to lead productive lives in the community, it allows them to be a taxpayer, rather than a tax burden.

Regional Planning Councils

Wanda Bolze reported that the Regional Planning Councils are concerned about the indirect cuts, including foster care, juvenile justice services, the drug courts, early childhood intervention programs, school based services, and jail services. The consequences will include a reduction in access to services by closing some programs and creating waiting lists. She suggested that the Community Mental Health Centers retain the flexibility and decision-making capacity to determine where the cuts are made.

ISSUES FOR 2003 GENERAL ASSEMBLY

HB 99 Advance Mental Health Directive

Dr. Sheila Schuster and Carolyn Kates-Glass reported that the bill has been assigned to the Judiciary Committee, rather than Health and Welfare. They distributed documents that include general information regarding this bill. They are in the process of drafting a letter to the Chair of the Judiciary Committee as well. They emphasized that this bill is a cost-neutral bill, and has very positive effects for consumers and providers. The only group known to be opposing the bill is the Medical Association, who participated in the process, and still feel that anything that creates a potential cause of action for malpractice is a detriment to them. Rep. Marzian reminded them that a request can be made to move the bill to the Health and Welfare Committee.

HB 194 Commission Extension

Secretary Morgan reported that the Cabinet for Health Services endorses this wholeheartedly. This removes the sunset provision, and ratifies the additional members added via executive order. Rep. Marzian expressed that she feels that it is imperative that this is passed in order to continue the work of the Commission. The bill has been introduced, and there are several co-sponsors.

HB 26 Consistent Services to Persons with Disabilities

Rep. Marzian explained that this is a policy statement that says that people with disabilities and the elderly are assured consistent public policy.

HB 205 Tobacco Tax

Rep. Marzian said that there is a lot more support for a tobacco tax across the board. The money would go into mental health and Medicaid, which would ease some of the burden. It has been introduced, and is being heard in Appropriation and Revenue Committee.

HB 79 Medicaid Buy-In Program for Persons with Disabilities

Steve Shannon explained that this bill creates a policy group composed of 19 individuals, ten of which will be people with disabilities or representatives of organizations who serve and support people with disabilities. This group would study the Medicaid buy-in, and design one that would possibly be implemented in Kentucky.

HCR 17 Adult Foster Care Task Force

Dan Howard explained that this would establish a task force to study adult foster care, and specify appropriate membership of the task force. A final report on recommendations would be required no later than November 15, 2003.

HJR 67 Use of Psychotropic Drugs for Children

Dr. Sheila Schuster explained that this would call on the HB 843 Commission to study the issues of the use of psychotropic drugs on children, and to report to the Health and Welfare Committee and Education Committee no later than October 1, 2003. It also calls on the Department of Education to provide education and training to school personnel regarding the use of psychotropic drugs as part of children's treatment. It would also urge the Cabinet for Families and Children to ensure that a parent's refusal to allow a child to receive psychotropic drugs as a part of treatment not be used as the sole ground for taking a child into custody.

HB 188 Parole of Non-Violent Substance Abuse Offenders

This bill would require the Department of Corrections to identify nonviolent substance abuse offenders and report their names to the Parole Board. It would require the Parole Board to consider a person on the nonviolent substance abuse offender list for parole not less than twice annually, and would specify that a person paroled as a nonviolent substance abuse offender have mandated substance abuse treatment and education.

HB 192 Involuntary Commitment of Persons Suffering from Alcohol and Other Drug Abuse

This bill would amend various sections of KRS 202A, 222, and 645 to provide for involuntary commitment of persons suffering from alcohol and other drug abuse who present a danger to themselves or others.

UPDATES

Transportation Workgroup

Commissioner Pennington provided an update of the formation of the Transportation Workgroup. At the last HB 843 Commission meeting, Marsha VanHook requested that a workgroup be formed including representation from across disabilities relative to their need for transportation. There have been 2 meetings, and a mission statement has been developed speaking to the needs for transportation for those people with disabilities. The workgroup will be made up of approximately 20 people. The membership will include service providers, transportation providers, state agencies, and consumers. Co-Chairs will consist of a consumer representative and a representative from the Department of Transportation. Commissioner Pennington proposed that both Jim Coleman and Ricki Dublin represent HB 843 on this workgroup as a member and/or designee.

Next Steps

Rep. Marzian asked staff to draft a letter from co-chairs to Senator Williams and House Speaker Jodi Williams to appoint a Senator and House member in light of recent elections.

The next meeting will be held April 15, 2003 at the KyCAN Consumer Conference at the Holiday Inn on Hurstbourne Lane in Louisville. There will be an open mic session at this meeting in order to allow consumers the opportunity to address the members. Rep. Marzian suggested that the gubernatorial candidates be invited as well. Carolyn Kates-Glass suggested that if members have specific questions that they would like to be addressed by consumers, they may e-mail those to her at katesglass@aol.com or kycan@bellsouth.net.

With no further business, the meeting was adjourned.